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 U. S. DEPARTMENT OF AGRICULTURE

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LATE NEWS

An \$8 million credit to finance export purchases of cotton in the United States has been granted to 3 Austrian banks by the Export-Import Bank of Washington. The loan is repayable 18 months from the date of drafts and the credit will be available for a period of one year. Austrian spinners are expected to buy, through the borrowing banks, supplies of long-staple, high-grade U. S. cotton.

UGANDA 1956 AGRICULTURAL PRODUCTION
AND TRADE

The 1955-56 cotton crop in Uganda is estimated at 303,062 U. S. bales compared with 250,000 bales in 1954-55. Incomplete returns for the 1955-56 coffee crop indicate the crop was lower than the record 1954-55 crop of 75,078 long tons (7,873 plantation, 6,165 Bugisu Arabica, 60,525 native Robusta and 515 other Arabica). Planting of tea in Uganda continued to increase in 1956, but because of prolonged drought production is estimated at 6,750,000 lbs., compared with 6,959,000 lbs. in 1955.

Uganda continued to have a favorable balance of trade in 1956, but it probably was lower than 1955 because of the Suez crisis. The effect of the Suez closing is not yet definitely known. It is reported that West Germany in 1956 was a much better customer for Uganda cotton. Uganda's exports of all products (principally Robusta coffee) to the United States for the first 6 months of 1956 continued at a high level with the United States in fourth place, only slightly below West Germany. India retained, in the first half of 1956, the traditional first place by a substantial margin over the United Kingdom.

TRUCK LINE FROM KENYA TO NORTHERN RHODESIA
TO HANDLE AGRICULTURAL COMMODITIES

The first truck line from Nairobi, Kenya, to Ndola, Northern Rhodesia will be opened soon. It will transport canned butter, tea, bacon, coffee and other high-valued Kenya exports for sale in the Northern Rhodesian copperbelt towns. In return, it can transport clothing, textiles and other high valued light weight manufactured products from Southern Rhodesia and the Union of South Africa, thus avoiding the slower Indian Ocean sea route to Mombasa and rail route to Nairobi. The Kenya Cooperative Creameries is considering placing a refrigerated truck in operation in this truck route. The distance by road is more than 700 miles and the trip is expected to require about 5 to 6 days each way.

FLUE-CURED PRODUCTION CONTINUES TO EXPAND IN THE PHILIPPINES

The 1957 flue-cured crop in the Philippine Republic is expected to total about 65 million pounds, considerably larger than the 48 million-pound-crop of 1956. A crop of this size would be about double domestic requirements. Forecast of this greatly increased crop foreshows the overloading of curing facilities again this year, resulting in additional quantities of improperly cured leaf. Philippine dark tobacco which dropped to second place in amount of leaf produced in 1956 is expected to increase to 40 million pounds during 1957 - still below fluecured production.

TOBACCO INCLUDED IN FINNISH- USSR TRADE AGREEMENT FOR 1957

The Trade Agreement between Finland and the U.S.S.R. was reportedly reviewed and extended for calendar year 1957 following the conclusion of negotiations held in Moscow November 28, 1956. This is the second annual agreement to be negotiated within the framework of the 5-year agreement which Finland and the U.S.S.R. concluded in 1954 to govern trade between the 2 countries in 1956-60. The new trade agreement reduced the quantity of Soviet Union tobacco from 1.7 to 1.1 million pounds as one of the items available for export in exchange for Finnish commodities. Finland's imports of Soviet Union tobacco during 1954 and 1955 amounted to 471,000 and 342,000 pounds, respectively.

ARGENTINA IMPLEMENTS FREE EXCHANGE RATE FOR TOBACCO EXPORTS

The Central Bank of Argentina on February 4, 1957 placed Correntino, Virginia and Burley types on the free market export list, according to a recent report. During 1956 exports were aided through exchange manipulations. About 80 percent of the export volume was allowed the free market rate of exchange and the remainder required the official rate - 18 Argentine Pesos to one U. S. dollar. The current free market rate is about 37 pesos per one U. S. dollar.

LARGER FLUE-CURED CROP EXPECTED IN VENEZUELA

Production of flue-cured tobacco in Venezuela in 1957 is forecast at 10.4 million pounds, compared with 6.5 million in 1956. The larger quantity of flue-cured produced is in response to increased consumption of light cigarettes. Farmers, however, are still dissatisfied with the prices they are receiving for leaf.

RENEWED INDONESIAN-CZECH TRADE
AGREEMENT INCLUDES TOBACCO

The Trade Agreement of July 26, 1955 between Indonesia and Czechoslovakia was reportedly modified and extended for another year following the conclusion of negotiations held in Prague on November 17, 1956. The new trade agreement is valid for one year from the date of signing, with the usual provision for automatic renewal for additional periods of one year if not denounced by either party 3 months prior to the expiration date. Payments are to be made in transferable pounds sterling under irrevocable documentary credits, which is similar to other trade agreements signed recently by Indonesia. Indonesia's recent policy of not indicating quotas on the lists of commodities annexed to the agreement has also been followed in this trade pact. The new agreement includes Indonesian tobacco as one of the items available for export in exchange for Czech goods which includes tobacco machinery. Indonesian trade statistics during the past few years do not show any leaf tobacco exports to Czechoslovakia.

RENEWED GREEK-SWEDISH TRADE
AGREEMENT INCLUDES TOBACCO

The Greek-Swedish Trade Agreement was reportedly extended for one year following the exchange of letters between the Greek Ministry of Foreign Affairs and the Swedish Embassy in Athens on December 5, 1956. The effective date of the renewed agreement was made retroactive to July 1, 1956, and is to remain in force until June 30, 1957. No commodity lists are provided because trade in both directions will be carried on within the framework of the liberalized import regulations currently in effect in both countries. The new agreement includes Greek leaf tobacco as one of the items available for export in exchange for Swedish commodities. Greek leaf tobacco exports to Sweden during the past fiscal years (July-June) rose from 1.7 million pounds in 1954-55 to 3.0 million in 1955-56. Greek tobacco exports to Sweden in fiscal 1956, in terms of value, represented about 48 percent of the value of all commodities exported. On January 1, 1957, the Greek-Swedish clearing account showed a debit balance against Greece totaling 6.3 million kronor (U. S. \$1.1 million).

BRIGHT PROSPECTS FOR
MOZAMBIQUE TOBACCO PRODUCTION

Production of flue-cured in Mozambique is expected to reach 3 million pounds in 1957 - double the 1953 crop. Further increases may be expected due to recent large investments in tobacco handling facilities and the guidance of an experienced tobacco marketing firm.

The increase in exports of leaf, which rose from 330 thousand pounds in 1953 to 810 thousand in 1955, can be expected to continue in the future, especially in view of recent revisions in the Portuguese tariff structure. Effective April 1, 1957, import and export duties between Portuguese overseas territories will be abolished. This may be expected to stimulate leaf exports to such areas as Angola.

At present there is some expectation that duties may be removed from colonial trade with Portugal itself. If this occurs, tobacco exported from Mozambique and Angola to Portugal would enter duty-free instead of being subject to the usual tariff, less 15 percent colonial preference as is the case at present.

WORLD TOBACCO PRODUCTION FOR FIRST HALF 1957 CALENDAR YEAR EXPECTED TO INCREASE

The latest estimate of production of leaf tobacco for harvest in the first half of 1957, principally in the Southern Hemisphere, is 2,475 million pounds. This is an increase of 3.6 percent above 1956 and 38.3 percent above the 1947-51 average. In some countries, tobacco is harvested in both 6-month periods of the year. 1/

Major increases in production are expected in the Dominican Republic, Honduras, Mexico, Argentina, Brazil, Venezuela, Burma, the Philippines and Australia. Major decreases are indicated for Nicaragua, Cuba and the Federation of Rhodesia and Nyasaland.

North America, Including the Caribbean Area

Production of tobacco for the first half of 1957 is forecast at 266.3 million pounds - up 13.3 percent from 1956. Increases are expected in Honduras, Mexico and the Dominican Republic with decreases in Cuba and Puerto Rico.

South America

The 1957 South American production is forecast at 551 million pounds - an increase of 4.7 percent over the 1956 production. The largest increases are forecast for Argentina and Brazil.

Asia

Production in Asia for harvest in the first half of 1957 is forecast at 1,360 million pounds - up approximately 4 percent from 1956. Burma, Indonesia and India show slight increases. The forecast for Pakistan indicates a slight decrease. The major change is the 37 percent increase forecast for the Philippines.

1/ Included in this category are Colombia, Madagascar, Ceylon, Pakistan, Indonesia, and Thailand.

Africa

The 1957 crop of leaf tobacco for harvest in Africa in the first half of the calendar year is estimated at 282 million pounds - down sharply from the 305 million harvested in the like period in 1956. Small increases are forecast for Madagascar, Mozambique and for the Union of South Africa. The large decrease is in the forecast for the Federation of Rhodesia and Nyasaland where the forecast was 185 million - down about 11 percent from 1956. The decrease is largely in flue-cured production in Southern Rhodesia.

Oceania

In Oceania, production for harvest in the first half of 1957 is forecast at 16.4 million pounds - up over 50 percent from the 1956 figure. Although a slight increase was forecast for New Zealand, the big increase is in the forecast for Australia which places the 1957 harvest at 11.5 million pounds - almost double the 1956 production.

LEAF TOBACCO: Estimated production by kind harvested in the first half of calendar year 1957, with comparisons - farm sales weight 1/

Kinds	Average 1935-39	Average 1947-51	1956	1957 <u>2/</u>
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Flue-cured.....	89,110	279,555	592,520	610,273
Burley.....	409	9,007	13,768	14,311
Other light air-cured..	23,690	24,542	36,996	37,099
Dark air-cured.....	1,718,572	1,122,706	1,166,796	1,234,251
Light sun-cured.....	130,384	135,565	159,045	159,320
Dark sun-cured.....	146,979	186,169	363,360	362,614
Fire-cured.....	18,541	29,775	42,056	41,300
Oriental.....	1,455	2,746	14,800	16,100
Total.....	2,129,140	1,790,065	2,389,341	2,475,268

1/ Farm sales weight is about 10 percent above the dry weight normally reported in manufacturing and export statistics.

2/ Preliminary.

TOBACCO: Estimated acreage and production in specified countries
harvested in the first half of calendar year 1957 with
comparisons - farm sales weight $\frac{1}{2}$

Continent and Country	Acreage Harvested				Production			
	Average		1957 $\frac{1}{2}$		Average		1956	
	1935-39	1947-51	1,000	acres	1935-39	1,000	1947-51	1956
	acres	acres	acres	acres	pounds	pounds	pounds	pounds
NORTH AMERICA:								
Costa Rica	$\frac{3}{2}$	4	3	3	$\frac{3}{2}$	2,522	2,110	2,205
El Salvador	$\frac{1}{4}$	3	3	3	$\frac{1}{4}$	1,123	1,586	1,740
Guatemala	5	7	7	7	1,892	4,065	3,100	3,250
Honduras	$\frac{1}{4}$	11	8	9	$\frac{1}{4}$	7,915	5,300	7,200
Mexico	51	90	73	94	38,200	79,425	66,138	83,775
Nicaragua	1	2	2	2	600	1,150	2,426	1,984
Panama	$\frac{3}{2}$	2	2	2	$\frac{3}{2}$	720	712	800
Cuba	108	132	144	140	48,092	72,751	102,050	95,121
Dominican Republic	25	45	50	50	24,625	47,178	19,300	40,000
Haiti	$\frac{3}{2}$	$\frac{3}{2}$	9	9	$\frac{3}{2}$	7,500	1,500	1,500
Jamaica	$\frac{2}{3}$	$\frac{2}{3}$	$\frac{2}{3}$	$\frac{2}{3}$	$\frac{2}{3}$	2,219	750	750
Puerto Rico	$\frac{1}{4}$	35	35	32	29,393	26,921	30,000	28,000
Total North America	242	331	336	351	118,252	253,489	234,972	266,325
SOUTH AMERICA:								
Argentina	29	67	96	118	27,983	61,140	85,480	97,770
Bolivia	3	3	3	3	2,500	2,100	2,100	2,100
Brazil	250	337	459	470	202,703	233,120	329,037	335,099
Chile	9	9	7	7	16,618	14,719	13,226	14,012
Colombia	$\frac{1}{4}$	47	62	62	$\frac{1}{4}$	45,027	66,138	67,380
Paraguay	22	16	21	21	17,792	18,438	20,000	20,000
Uruguay	1	1	1	2	1,254	957	1,441	960
Venezuela	10	8	8	8	7,700	6,224	10,239	14,097
Total South America	361	488	657	691	308,247	381,725	526,661	551,418

AFRICA:									
Kenya	3/	3/	3/	3/	3/	3/	3/	851	570
Fed. of Rhodesia & Nyasaland	5/	157	260	260	43,486	120,023	209,389	4,868	185,300
Tanganyika	3/	3/	3/	3/	874	4,419	4,875	3,630	9,700
Uganda	4	7	9	9	1,500	2,671	9,581	811	3,300
Madagascar	19	12	26	27	14,164	7,190	29,000	43,580	44,300
Mauritius	1	1	1	1	650	758	3,210	3,300	29,000
Mozambique	4/	4	6	7	467	1,535	47,621	281,521	281,521
Nigeria	56	58	61	61	22,800	23,490	304,639	304,639	304,639
Union of South Africa	47	93	83	84	24,372	47,621	108,613	208,558	208,558
Total Africa	182	332	446	453	108,613	208,558	304,639	304,639	304,639
ASIA:									
Burma	108	121	134	137	78,400	94,528	108,125	114,480	114,480
Ceylon	14	11	15	15	9,000	5,730	8,700	8,700	8,700
Pakistan	355	141	239	238	324,053	113,883	270,000	268,500	268,500
India	917	812	921	930	761,000	547,150	582,400	590,000	590,000
Vietnam, Laos and Cambodia	44	25	43	43	32,004	15,000	30,600	31,000	31,000
Indonesia, Republic of	449	180	426	426	238,775	62,030	148,228	150,230	150,230
Philippines, Republic of	176	100	136	189	82,292	49,938	76,995	105,344	105,344
Taiwan	4	15	20	20	5,961	14,260	33,578	34,000	34,000
Thailand	53	83	138	154	25,900	35,200	53,736	57,365	57,365
Total Asia	2,120	1,488	2,072	2,152	1,557,385	937,719	1,312,364	1,359,619	1,359,619
OCEANIA:									
Australia	10	5	12	13	5,276	3,649	5,971	11,500	11,500
New Zealand	2	4	3	4	1,367	4,925	4,734	4,885	4,885
Total Oceania	12	9	15	17	6,643	8,574	10,705	16,385	16,385
TOTAL FOR ALL COUNTRIES SHOWN	2,917	2,648	3,526	3,664	2,129,140	1,790,065	2,389,341	2,475,268	2,475,268

1/ Farm sales weight is about 10 percent above the average dry weight, which is normally reported in export trade statistics.
2/ Preliminary. 3/ Not available. 4/ Less than a 5-year average. 5/ recently methods of estimating acreage and production have changed in an effort to improve data; therefore, data for 1935-39 are not comparable with later information.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research and other information.

INDIA COMPLETES PART OF COTTON PURCHASES UNDER P.L. 480 AGREEMENT

The Government of India has completed purchases of United States cotton under that portion of the P. L. 480 agreement covered by Purchase Authorization 39-03, in the amount of \$34,925,000. The announcement that the monetary ceiling had been reached was made January 29, 1957, and the issuance of import licenses was discontinued. Purchase authorizations covering an additional \$47,000,000 worth of cotton, included under the P. L. 480 agreement, have not yet been issued.

Licenses for imports of United States cotton under the Indo-Burma-U.S. Tripartite PL-480 Agreement (P. A. 33-08) are being issued only as equivalent amounts of cotton textiles from India are received in Burma and the rupee equivalent credited back to India. Thus far, only small amounts of these textiles have actually been shipped to Burma, but the Government of India cotton office in Bombay has already received applications for the balance of the raw cotton to come from the United States. Licenses will be issued as fast as credits are received from Burma.

SALVADORAN HENEQUEN PRODUCTION INCREASES

Henequen production in El Salvador is estimated at 5,173,000 pounds in 1956. This is about 203,000 more than in 1955. The forecast for 1957 is about 5,600,000 pounds. Acreage is increasing at about 175 acres annually. The area for 1956 was 12,410 acres, compared with 12,230 in 1955 and a forecast of 12,580 in 1957.

Increased production has resulted from the use of more fertilizer and better farming practices, success in combatting disease, and extensive replantings that now are reaching the producing age. Harvesting continues throughout the year, but the larger part of the crop is harvested in July-December. Well over half the crop is produced on 6 large plantations. The remainder is produced by small growers and used in cottage industries. Production is concentrated in the Departments of San Miguel, Morazan, and La Union.

The demand for henequen bags is increasing with the increasing crops of coffee. Practically the entire commercial production of henequen from the 6 large growers is used by one large bag factory. The supply of fiber is insufficient for factory operation at full capacity, and the outturn of bags is insufficient for the demand.

El Salvador has shifted from an export to a new-import basis on henequen and fiber products. Stocks continue to be low. In the calendar year 1955, net imports of "henequen, bagasse and mixtures" were 632,000 pounds. Net imports of jute bags were 374,000 pounds. Net exports of henequen bags were 116,000 pounds.

In the first half of 1956 a total of 69,000 pounds of henequen, bagasse and mixtures, and 4,000 pounds of henequen bags were exported, but 260,000 pounds of jute bags were imported. It is reported unofficially that as many as 200,000 jute and 50,000 henequen bags were imported from Colombia and the United States in January 1957. Both henequen and jute bags are imported under license, but there are no import quotas.

The forecast is for increased production of henequen in response to anticipated increases in requirements, and a goal of self-sufficiency with the possibility of a surplus for export. The factory has the capacity for a considerable increase in consumption of fiber for manufacture into bags.

WORLD FILBERT PRODUCTION CLIMBS TO NEW LEVELS

The record Turkish filbert crop for 1956, estimated at 143,000 short tons, unshelled, is reflected in the world production total, now regarded as more than 197,000 short tons. The previous record for world filbert production occurred in 1954 when approximately 175,000 short tons were harvested. Tonnage for 1956 is 61 percent greater than the 1949-53 average.

FILBERTS, Unshelled: Estimated Commercial production in specified countries, average 1949-53, annual 1953-56

Country	Average 1949-53	1953	1954	1955	Indicated 1956
- - - - - short tons - - - - -					
Turkey.....	65,700	51,000	136,000	57,000	143,000
Italy.....	32,700	38,000	23,000	50,000	33,000
Spain.....	15,700	22,000	7,300	12,000	18,200
Foreign total.....	114,100	111,000	166,300	119,000	194,200
United States.....	8,160	4,900	8,620	7,710	3,040
Grand total....	122,260	115,900	174,920	126,710	197,240

Early indications of a bumper filbert crop in Turkey were realized under ideal growing and harvesting conditions. The 1956 Turkish crop was more than twice as large as the "off-year" 1955 crop. Turkish filbert production for 1956 is estimated at 73 percent of the foreign total compared with 54 percent on the average. Italy's 1956 filbert crop though regarded as normal, is but two-thirds the size of the very large 1955 Italian crop.

Spain, the remaining member of the principal filbert-producing trio, has estimated 1956 production as 18,200 short tons, a volume believed to be a slightly above average. The Spanish filbert crop was apparently unaffected by the severe freezing conditions of a year ago which caused so much destruction to almonds and other crops. Production of filberts in the United States during 1956, calculated as just over 3,000 short tons, amounted to 40 percent of the volume produced in the preceding year and 37 percent of the 1949-53 average.

FILBERTS, unshelled: Supply and disposition, totals for Italy,
Spain and Turkey, 1954-55 - 1956-57

Item	Estimate		Forecast
	1954-55	1955-56	1956-57
	-- Short tons --		
Beginning stocks.....	15,300	20,100	2,600
Production.....	166,300	119,000	194,200
Total supply.....	181,600	139,100	196,800
Exports.....	120,900	102,600	127,800
Domestic Disappearance.....	40,600	33,900	45,000
End Stocks.....	20,100	2,600	24,000
Disposition.....	181,600	139,100	196,800

Prices for Spanish filberts sold in the domestic market are not fixed, but minimum export prices, established each season by the government, prevail for Spanish filberts sold abroad. The export price for Spanish shelled filberts was recently reduced from 49.9 cents to 45.4 cents per pound.

Turkish exporters anticipate a price reduction designed to ease difficulties in moving the very large 1956 crop. They have petitioned the Turkish government to reduce the export price from 51.7 cents per pound for shelled nuts f.o.b. net for EPU, Sterling and Dollar countries to 47.6 cents per pound. Turkish traders also seek an export subsidy to aid them in clearing burdensome stocks.

Less than 50 percent of the Italian filbert crop was sold as of mid-January. There has been a gradual deterioration in prices quoted for Italian Avellino round shelled filberts of from 54.8 cents per pound in the weeks prior to Christmas to 45.8 cents per pound as of February 15.

U.S. AGRICULTURAL IMPORTS FOR THE 1955-56 CALENDAR YEARS

Commodity imported	Unit	Year ended December 31			
		Quantity		Value	
		1955	1956	1955	1956
SUPPLEMENTARY					
ANIMALS AND ANIMAL PRODUCTS:		Thousands	Thousands	dollars	dollars
Cattle, dutiable	No.	296	141	23,688	10,898
Cattle, free (for breeding)	No.	18	19	4,842	4,731
Casein and lactarene	Lb.	74,480	70,673	13,557	14,276
Cheese	Lb.	51,951	53,718	26,672	27,442
Hides and skins	Lb.	127,466	143,784	53,125	62,666
Beef and veal, total b/	Lb.	118,514	111,859	35,617	29,346
Pork, total b/	Lb.	162,239	139,595	107,745	94,576
Wool, unmfed., excl. free, etc.	Lb.	181,475	164,098	151,817	128,815
VEGETABLE PRODUCTS:					
Cotton, unmfed., excl. linters (480 lb.)	Bale	189	98	36,855	19,563
Jute and jute butts, unmfed. (2,240 lb.)	Ton	52	75	13,006	14,859
Olives in brine	Gal.	13,890	10,677	22,768	18,940
Pineapple juice	Gal.	2,478	8,893	945	3,169
Pineapples, canned, prepared or pres.	Lb.	74,182	88,476	8,493	10,392
Other fruits and preparations	c/	c/	c/	30,892	34,919
Barley, grain (48 lb.)	Bu.	18,714	29,297	25,360	39,824
Oats, grain (32 lb.)	Bu.	9,958	6,468	9,345	5,984
Wheat, grain (60 lb.)	Bu.	6,546	9,635	11,084	14,825
Feeds and fodders	c/	c/	c/	20,149	20,067
Nuts and preparations	c/	c/	c/	73,114	60,684
Castor beans	Lb.	87,533	42,413	3,852	2,433
Copra	Lb.	671,622	667,919	45,621	41,879
Oils, fats, waxes, veg. expressed	Lb.	493,311	484,390	74,887	81,118
Seeds, field and garden	c/	c/	c/	16,994	14,694
Sugar, cane (2,000 lb.)	Ton	3,917	4,141	415,090	436,358
Molasses, unfit for human consumption	Gal.	377,168	351,264	34,111	34,627
Tobacco, cigarette leaf	Lb.	83,675	87,871	57,439	61,783
Tobacco, other leaf	Lb.	14,667	14,646	21,197	20,724
Potatoes, white	Lb.	124,339	278,074	3,225	6,754
Tomatoes, natural state	Lb.	78,235	94,970	4,921	6,698
Other supplementary				203,962	228,687
Total supplementary				1,550,373	1,551,731
COMPLEMENTARY					
Silk, raw	Lb.	7,802	7,820	33,549	32,444
Wool, unmfed., free in bond	Lb.	185,740	193,271	108,538	113,450
VEGETABLE PRODUCTS:					
Bananas	Bunch	47,150	46,229	66,470	68,017
Coffee (incl. into Puerto Rico)	Lb.	2,599,285	2,809,422	1,356,800	1,437,268
Cocoa or cacao beans	Lb.	500,217	559,234	184,833	144,612
Tea	Lb.	105,188	100,241	65,188	50,609
Sisal and henequen (2,240 lb.)	Ton	147	132	23,804	20,955
Spices (complementary)	Lb.	78,397	85,718	31,055	30,558
Rubber, crude	Lb.	1,428,172	1,297,445	442,372	398,019
Other complementary				108,220	98,564
Total complementary				2,420,829	2,394,496
TOTAL AGRICULTURAL COMMODITIES				3,971,202	3,946,227
TOTAL ALL COMMODITIES				11,328,052	12,484,896

a/ Preliminary. b/ Product weight. c/ Reported in value only.

Compiled from official records, Bureau of the Census.

SWISS GOVERNMENT LOWERS OFFICIAL PRICES OF FLOUR

In order to increase bakers' profit margins on the sale of bread, the Swiss Government on February 1 reduced the official price which mills are required to charge them for flour. The price for half-white flour was reduced from 58 to 56 Swiss francs per quintal (6.1 to 5.9 cents per pound) and that for white flour and semolina from 115 to 105 francs per quintal (12.2 to 11.1 cents per pound). The price of dark flour was left unchanged at 45.15 francs per quintal (4.8 cents per pound). These are the prices for flour delivered to bakers' or wholesalers' warehouses.

The Government also reduced the fixed prices charged by wholesalers and bakers for flour sold direct to consumers for home baking. These reductions, which left wholesalers' and bakers' profit margins unchanged, were as follows, in sack lots: from 61 to 59 Swiss francs per quintal (from 6.4 to 6.2 cents per pound) for half-white flour and from 118 to 108 francs per quintal (from 12.5 to 11.4 cents per pound) for white flour and semolina. The consumer price for dark flour was left unchanged at 48.15 francs per quintal (5.1 cents per pound).

Swiss Government control over flour prices began on December 21, 1953 with the issuance of an Ordinance (under authority of the Federal Bread Grain Decree of June 19, 1953) providing, in addition, a special tax on white flour and for the use of the proceeds of the tax to reduce consumer prices for dark and half-white bread. Since that time the trend has been to increase the price of dark flour and reduce the price of white flour and semolina. The mill price of the former has been increased by a total of 6.75 francs per quintal (.7 cents per pound) while that of the latter has been reduced by a total of 20 francs per quintal (2.1 cents per pound). No change was made in the mill price of half-white flour until February 1, 1957.

The Swiss Government on February 1 also decontrolled bread prices. The Federal Price Control Office, however, retains authority to reinstate control in any locality if bread prices should rise to too high a level. In addition, the special tax on white flour, the proceeds of which are used to lower consumer prices of dark and half-white bread, was reduced by about one-fifth. Government officials feel that the decontrol of bread prices and the changes made in the official prices of flour on February 1 will not cause much change in the consumption of the different kinds of bread as that is determined primarily by habit and taste.

SPAIN TAKES ACTION TO ASSURE DELIVERIES
OF WHEAT ON FARMS TO NATIONAL WHEAT SERVICE

The Spanish Ministry of Agriculture issued a decree early in February calling upon farmers to deliver all of the wheat on farms to the Government's National Wheat Service on or before March 15, 1957, including wheat held for their own consumption and seed requirements. In the event storage facilities of the National Wheat Service are inadequate, farmers will be required to store the wheat for the Government. The Government will pay them for storing the wheat.

The new decree specifies that the Government will return to farmers all of the wheat needed for their own requirements, either in the form of flour or grain, prior to May 31, 1957. The decree also specifies that the National Wheat Service is to pay farmers a premium of 10.00 pesetas per metric quintal (7.0 cents per bushel) over the official support price for all wheat delivered before the March 17 deadline. The official support prices for the 1956-57 season range from 377 to 425 pesetas per metric quintal (\$2.63 to \$2.97 per bushel), depending on type, for clean wheat with a moisture content of no more than 12 percent, delivered in bulk to warehouses of the National Wheat Service.

Farmers who fail to deliver all of their wheat before the March 15 deadline, or who falsify the information they submit, will have their crop confiscated. The decree reflects the Government's attempt to bring all wheat stocks still held by farmers into the hands of the National Wheat Service. Farmers are reported to be holding large quantities for speculative purposes in anticipation of a short crop this year. They are also said to be feeding large quantities to livestock since coarse grains are in very short supply and are selling, in some instances, at higher prices than wheat.

AUSTRIAN LARD AND TALLOW SITUATION

Production of lard in Austria in 1956 is estimated at 112 million pounds, a moderate increase from the 108 million pounds produced in 1955. Approximately two-fifths of the lard was from commercial and home rendering sources, and the balance represents farm production. The estimated domestic production of raw tallow in 1956 totaled 20 million pounds compared with 19 million pounds in 1955.

Austrian produced lard was retailing in mid-February at about 18-20 schillings per kilogram (32-35 cents per pound) compared with the fixed price of 14.40 schillings (25 cents per pound), which consumers pay for imported lard. Even though it is priced higher, domestic lard is still preferred in Austria because of its distinct "pork roast" flavor.

In 1956 Austrian lard imports were approximately 29 million pounds, considerably less than the 35.5 million pounds imported in 1955. Despite this 17 percent decrease, the U. S. was able to increase its share of Austria's imports from 75 percent in 1955 to 93.5 percent in 1956. The principal factors contributing to the increase in U. S. imports were (1) a more favorable price and (2) the availability of lard under P.L. 480.

Tallow imports into Austria in 1956 totaled 9.1 million pounds, 95 percent of which originated in the United States. U. S. tallow was given preference mainly because of its higher quality. The price advantage over the product of other countries was also a factor.

U.K. ASSURES AUSTRALIA A MARKET FOR 750,000 TONS OF WHEAT ANNUALLY

The United Kingdom Government has given assurances to Australia that it will provide an opportunity for the sale in the British market on commercial terms of not less than 750,000 long tons (28 million bushels) of Australian wheat and flour annually during the next 5 years. This assurance was part of a mutual understanding arrived at during preliminary negotiations in London late in 1956 where both Governments agreed that the 750,000 ton commitment would be incorporated into a new and comprehensive trade agreement to be signed in Canberra early in 1957. The new agreement will replace the Ottawa Agreement of 1932.

The precise means for implementing the agreement have not yet been announced. However, since representatives of the grain and milling trades in both countries were in close consultation with their Governments during the negotiations, it may be assumed that they will do everything possible to make it succeed. The 750,000 tons guarantee applies only to wheat of f.a.q. grade. Purchases of wheat superior in quality to the f.a.q. grade, as well as purchases for purposes other than milling, are to be considered as outside the scope of the agreement.

Australian wheat and flour sales in the U.K. in recent years have been well under the levels prevailing during the years immediately following the Ottawa Agreement of 1932. U.K. imports of wheat and flour during the 5 calendar years 1932-36 averaged 218 million bushels annually. Australia's share of that total was 49 million bushels, or 23 percent. During the 5-year period ending June 30, 1956, when Britain's annual imports averaged 176 million bushels, Australia's share of the total was only 12 percent or 21 million bushels annually. The decline in Australia's traditional share of the British market is attributed to changes in world wheat marketing and an increase in the level of production in the U.K. since the Ottawa Agreement of 1932.

United Kingdom Imports of Wheat and Flour During Stated Periods

From	1951-52	1952-53	1953-54	1954-55	1955-56
	- - Million bushels - -				
United States.....	25	19	3	25	23
Canada.....	124	126	97	103	106
Australia.....	22	26	17	20	21
Argentina.....	1/	2/	13	12	19
France.....	1	1	7	19	20
All others.....	11	2/	7	10	5
Total.....	183	172	144	189	194

1/ If any, not separately reported.

2/ Less than 500 thousand.

AUSTRALIAN CANNED FRUIT
PROSPECTS REVIEWED

The outlook for peaches during the current season, and for some years ahead, is very poor, with production likely to be lower than for any season during the past 10 years. In Victoria, the Department of Agriculture recently estimated that approximately 60 percent of the peach trees in the Goulburn Valley, the principal area of production, have died from excessive ground moisture. Canning peach varieties appear to have suffered more than others. Normal canning peach production in Victoria is estimated at 1.5 million bushels, but for the current season the crop is estimated at less than one-third the usual volume. Other peach producing areas are believed to be below normal. The February 11 issue of Foreign Crops and Markets forecast the 1957 Australian peach pack at approximately 60 percent of normal.

Though not as severely affected as the peach crop, the 1957 apricot crop is regarded as well below the level for the previous year. Total Australian production of apricots is forecast at two-thirds that of recent years. One-third of the Australian production of apricots is annually marketed in canned form.

Good crops of canning and fresh pears are expected to be harvested in the State of Victoria, with production estimated as much as 37 percent more than that of the previous season. New South Wales and Queensland did not have as favorable weather, and in both these States, production is forecast as smaller than the past year. The large Victorian pear crop is expected to compensate for the shorter crops in the other States.

CACAO INCLUDED IN JAMAICA'S
FARM DEVELOPMENT SCHEME

Cacao improvement and expansion is part of the overall Farm Development Scheme of the Jamaican Government. Seedling planting, fertilization, disease control and all other cultural phases are the responsibility of the extension service field staff of the Ministry of Agriculture and Lands. Jamaica now has approximately 12,000 acres in cacao. There are probably 140,000 acres of land available for cacao out of a total of 800,000 acres of suitable soil. Jamaica intends to plant approximately 50,000 additional acres to cacao in the next 10 years under a government incentive subsidy scheme. It will probably cost the government around 2.8 million dollars over this 10 year period.

MEXICO INCREASES TALLOW PRODUCTION AND IMPORTS

Despite an increase of approximately 4 percent in domestic production, imports of tallow increased over 50 percent in 1956. Tallow production totaled 23,610 metric tons in 1956 compared with 22,725 tons in 1955, while imports increased from 21,771 tons to 33,161 tons over the same period. These increases were necessary to meet the growing demand for tallow by the Mexican soap manufacturing industry. It is expected that a further increase in imports will be necessary to meet the demand for 1957.

U. S. MEAT EXPORTS INCREASED IN 1956

United States' exports of carcass and variety meats totaled 277 million pounds in 1956 compared with 201 million a year earlier and were the largest in 9 years. Exports of beef nearly doubled. There was a moderate increase in pork shipments to foreign countries. Exports of fresh and frozen variety meats continued their sharp upward trend.

The sharp increase in exports of beef was due to large shipments of frozen beef to Spain under an I.C.A. program and Public Law 480. Shipments to Spain in 1956 totaled almost 39 million pounds. The movement of frozen beef to Israel under PL 480 during the year totaled 13.5 million pounds. Canada was the other leading market for fresh or frozen beef.

Exports of cured and canned beef declined moderately in 1956. The chief foreign outlets for cured beef were Canada 9.1 million pounds, Jamaica 1.1, and Surinam .9 million. The Philippine Republic was by far the largest market for canned beef, accounting for 3.1 million of the total of 4.7 million pounds exported.

Exports of pork continued to rise in 1956, reflecting the low prices in the United States, particularly in the first half of the year. Most of the increase was due to larger shipments of cured pork and hams to Cuba. Cuba's imports of pork rose to a high level and, as usual, the U. S. supplied practically all of the import requirements. The other leading importers of pork from the U. S. were West Germany and the Netherlands. Exports to Mexico increased substantially.

Exports of horsemeat declined moderately in 1956. As usual Belgium-Luxembourg and Sweden continued to be the largest markets for this product.

United States' exports of fresh or frozen variety meats rose from 45.9 million pounds in 1954 to 69.5 million in 1955, and reached 99.2 million pounds in 1956. The movement to the Netherlands, West Germany, Canada, Sweden, France and the United Kingdom increased sharply in 1956. Belgium and Hong Kong became significant foreign markets. Exports to Mexico and Switzerland were maintained at about 1955 levels. Prices of variety meats continued low relative to those of more desirable carcass meats and were competitive with foreign supplies.

United States exports of meat and meat products, 1951-56
(product weight basis)

Item	1951	1952	1953	1954	1955	1956
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
<u>Beef and veal</u>						
<u>Fresh or frozen</u>						
Canned	1,770	3,077	14,898	13,015	18,438	60,098
Pickled or cured	2,084	1,297	10,743	6,287	5,094	4,693
Total beef and veal	7,753	10,360	13,090	14,522	17,132	15,755
	11,607	14,734	38,731	33,824	40,664	80,546
<u>Pork</u>						
<u>Fresh or frozen</u>						
Hams and shoulders, cured or cooked	16,306	11,845	6,517	5,293	6,657	7,483
Bacon ^{1/}	11,165	12,967	10,753	11,010	14,438	17,755
Other pork, pickled, salted or otherwise cured	39,814	41,215	7,154	4,675	3,180	1,644
Hams and shoulders, canned	10,023	24,862	50,685	27,538	37,076	42,053
Other pork, canned	2/	2,327	1,296	932	1,200	1,052
Total pork	4,942	3,540	3,003	3,445	3,772	5,163
	82,250	96,756	79,408	52,893	66,323	75,150
<u>Lamb and mutton (except canned)</u>	207	374	1,313	827	426	583
<u>Sausage, bologna and frankfurters:</u>						
<u>Except canned</u>						
Canned	1,118	1,188	1,368	1,417	1,887	2,326
	4,154	3,293	3,475	6,413	5,492	4,623
<u>Sausage ingredients, cured, excl. canned</u>	439	3/	3/	3/	3/	3/
<u>Meat and meat products, canned N.E.C.</u>	2,947	1,329	2,270	4,116	2,618	2,538
<u>Baby food, canned</u>	2/	322	395	404	478	574
<u>Total meat exports</u>	102,722	117,996	126,960	99,894	117,918	166,340
<u>Horsemeat (all kinds)</u>	21,957	19,733	17,072	16,328	13,505	11,732
<u>Variety meats (except canned)</u>	3,419	4,345	29,029	45,922	69,536	99,233
<u>Total meat products</u>	128,098	142,074	173,061	162,144	200,959	277,305
^{1/} Includes Cumberland and Wiltshire sides. ^{2/} Previously included in another category. ^{3/} Not separately classified.						

AUSTRALIAN WOOL SALES UP AT MID-SEASON

During the first half of the 1956-57 season (July-December) about 2,030,000 bales of wool were sold at Australian auctions. This is 6 percent above the 1,924,000 bales sold during the first half of the previous season but the weight increased only 3 percent. Bale weights averaged 295.7 pounds this season, compared with 303.7 pounds last season. Stocks of wool in store awaiting sale at the end of December were 16 percent higher at 1,801,000 bales.

Exports of raw wool during July-December totaled 580 million pounds, compared with 567 million pounds a year ago. Shipments to Japan this season have been 26 percent higher, while exports to the U. S. have declined by almost 50 percent.

The average price per pound of greasy wool has been 72 cents, 31 percent higher than a year ago.

The importance of wool to the Australian economy is reflected in the overall Australian Central Bank's foreign exchange reserves. These reserves increased from \$667 million on January 25, 1956 to \$777 million on January 23, 1957, primarily because of higher wool values.

AFGHANISTAN PLANS INCREASE IN WOOL, KARAKUL AND HIDE PRODUCTION

One of the chief aims of Afghanistan's new 5-year plan is to increase wool, karakul and hide production by 20 percent.

Present annual wool production is estimated at 8,000 metric tons, approximately three-fourths of which is exported. The remainder is consumed domestically. Production of karakul skins in 1954 was 1,846,641 pieces, and exports totaled 1,745,591 pieces.

The plan includes proposals for better washing, shearing and baling practices for wool. At present the wool is washed in cold streams which leaves nearly 30 percent of the impurities in the wool. Importations of washing machinery and baling presses are also proposed.

Improvement of the wool clip will be attempted through the introduction of Merino sheep. Sheep numbers are estimated at 14 million. About 5 million of these are Kakeri and Gholjai breeds which supposedly could be replaced with Merinos.

AUSTRALIAN WOOL PRICES

Approximately 132,000 bales of wool were sold at auctions in Brisbane, Perth, Hobart and Ballarat during the week ending February 15th. Japan, Western Europe and the United Kingdom continued to dominate the bidding with good support from local mills.

Prices were higher than the previous week and for most types were above early December levels when international tensions stimulated buying. Continued price rises indicate the strong demand position for wool. Larger offerings at Australian auctions during the second half of the season may ease the squeeze in the supply and demand situation.

AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis, on Australian auction floors, by quality classification.
(Current prices with comparisons)

Type and Grade	Week Ended			Year Ago
	2-8-57	2-15-57		2-17-56
	- - - - - U.S. DOLLARS PER POUND - - - - -			
<u>Combing Wools</u>				
70's Good.....	1.70	1.71		1.32
Average.....	1.63	1.64		1.24
64's Good.....	1.55	1.57		1.15
Average.....	1.51	1.53		1.11
60's Good.....	1.41	1.44		1.01
Average.....	1.37	1.40		1.00
58's Good.....	1.29	1.33		.94
Average.....	1.23	1.27		.91
56's Good.....	1.17	1.19		.87
Average.....	1.13	1.15		.86
50's Good.....	1.03	1.04		.80
Average.....	1.00	1.01		.79
<u>Carding Wools</u>				
Merino.....	.96	.97	a/	.78
Comeback.....	.87	.88	a/	.72
Fine Crossbred.....	.82	.83	a/	.68
Medium Crossbred.....	.80	.81	a/	.67

Source: Wool Statistical Service Australian Wool Bureau.
a/ Nominal quotations.

COSTA RICA EASES IMPORT RESTRICTIONS ON TANNED HIDES

A government decree, effective January 1, 1957, has been issued easing the stringent controls over imports of animal products from foot-and-mouth disease areas. This decree permits the entry of tanned or processed hides from such areas providing certain precautions have been taken. Imports of live animals, meat, and green hides from infected areas are still prohibited.

AUSTRALIAN MEAT EXPORTS DOWN

Australian exports of frozen and chilled meat declined from 452 million pounds during 1955 to 373 million in 1956, a drop of 27 percent. Canned meat exports also declined by 16 percent during 1956.

The re-entry of Argentina as an important factor in the U. K. market, and good pasture conditions in Australia, which have encouraged producers to hold back animals from slaughter, are the main factors in the export decline. Rising domestic meat consumption in Australia, a result of a growing population and lower prices, has also contributed to the reduction in exports.

Although Australian frozen beef is assured a steady market in the U. K. under the 15-year Meat Agreement, it is encountering strong competition from Argentina and New Zealand chilled beef which enjoys a competitive advantage on the U. K. market. The Australian carcasses are generally heavier than what is desired in the U. K. and the frozen carcasses are more difficult to market. The price of Australian beef has dropped to a point where the U. K. must make large deficiency payments to meet the requirements of the Meat Agreement.

Several good seasons in the important northern cattle raising areas of Australia have resulted in an unusually plentiful supply of grass. Cattle producers, seeing the lower prices received for their cattle, have tended to keep them on pasture longer than usual, both to utilize the abundant forage and in expectation of a rise in prices. Consequently, cattle slaughter has dropped about 3 percent from 1955. Numbers have risen 4 percent and are expected to increase again in 1957.

Mutton and lamb exports fell off about 39 percent from 1955 to 1956. High prices for wool and good pasture conditions caused a decline of 12 percent in sheep and lamb slaughter, although numbers were 6 percent over 1955. An even further increase in numbers is expected in 1957.

Canned meat exports have been declining over a period of years. Except for a small amount shipped to Canada, the U. K. is the only significant market. Here too, competition from Argentina has made itself felt. There is also a shortage of canner type animals due to the good pastoral conditions and a tendency to hold these animals from the market.

Australia: Meat exports 1953-1956

Year	Chilled and Frozen Meat						Canned Meat	Percent <u>1</u> / Change
	Beef and Veal	Percent <u>1</u> / Change	Mutton and Lamb	Percent <u>1</u> / Change	Pork	Percent <u>1</u> / Change		
	Mil. lbs.		Mil. lbs.		Mil. lbs.			
1953.....	341.0	/ 37	142.9	/ 48	3.5	/ 35	149.6	- 41
1954.....	255.0	- 25	126.4	- 12	5.6	/ 60	142.5	- 5
1955.....	316.6	/ 24	131.0	/ 4	4.2	- 25	134.8	- 5
1956.....	291.6	- 8	79.6	- 39	1.7	- 60	113.5	- 16

1/ Percent change from previous year.

Source: Australian Meat Board.

Although per capita consumption of all meat decreased somewhat during the fiscal year 1955-56, the population increased the total consumption 25.4 million pounds. The over-all consumption of meat during the year was 1,953.8 million pounds.

Australia: Per Capita Consumption of Meat
Year Ended June 30

Item	Average 1937-39	1952	1953	1954	1955	1956
<u>Pounds</u>						
Beef & Veal (C.W.E.)...	144.1	118.9	119.7	114.6	114.9	116.0
Mutton (C.W.E.).....	59.8	40.9	49.5	51.4	50.4	48.4
Lambs (C.W.E.).....	15.0	24.0	28.8	26.9	25.8	25.9
Pork (C.W.E.).....	10.4	7.3	5.8	7.7	9.8	9.6
Bacon & Ham (Prod. Wt.):	15.7	7.2	7.3	7.2	7.9	7.5
Canned Meat (Prod. Wt.):	1/	2.5	2.0	2.0	2.0	2.0
Total C.W.E.....	244.6	205.7	217.4	212.6	210.8	209.4
Variety Meats.....	8.4	9.1	10.3	10.6	10.7	10.1

1/ Included under fresh meat at its carcass weight equivalent.

NEW ZEALAND WOOL PRICES RISE

At the Christchurch wool sale on February 18, 24,000 bales were sold at prices of up to 5 percent higher for crossbreds. Prices for fine wool are now at the highest level since the Korean war boom, according to the New Zealand Wool Commission.

The following is a range of prices in cents per pound for selected descriptions compared with prices at the Christchurch auction a year ago.

	<u>2-18-57</u>	<u>2-13-56</u>
Southdown 56/60's	72-79	54-58
Fine halfbred and Corriedale 56/58's	81-85	58-62
Medium halfbred and Corriedale 56's	76-81	57-61

U. S. EXPORTS OF LIVESTOCK INCREASED IN 1956

United States exports of livestock increased during 1956. Cattle exports were moderately larger than a year earlier and were the largest since 1946. Exports of hogs increased substantially and were the largest since 1945. Exports of sheep and lambs totaled 60,440 head and were the greatest since 1922.

Several of the Latin American countries, particularly Venezuela, Colombia, Mexico and the Dominican Republic, are encouraging importations of cattle to improve the productivity of the local breeds. In some cases the governments of the foreign countries have financed farmers' purchases, or have made importations and re-sold the animals to farmers on favorable terms. Mexico secured an Export-Import Bank Loan in 1956 to finance livestock purchases.

Exports of 36,860 head of cattle in 1956 included 24,239 head of cattle for breeding and 12,621 head of other cattle. The chief markets for cattle for breeding in order of their relative importance in 1956 were Mexico, Cuba, Venezuela, Canada, Colombia, Dominican Republic, Guatemala, Ecuador, and Nicaragua. Smaller shipments were made to a large number of other countries. Most of the cattle "except for breeding" were shipped to Mexico and Canada.

The exports of sheep included 17,860 to Canada and 41,222 to Mexico. Exports to Venezuela and Ecuador totaled 725 and 506 respectively.

Over 10,000 hogs were shipped from the United States in 1956 compared with 4,000 in 1955. The principal importers of hogs from the United States in 1956 in order of importance were Mexico, Venezuela, Cuba, Chile, Korea, Colombia and Guatemala. Canada continues to maintain its embargo on imports from the United States.

United States: Exports of Livestock 1940-56

Year	: Cattle : : for : :Breeding:	Other : Cattle : :	Total :	Hogs :	Sheep : and Lambs
	: : Number of head	: :	: :	: : Number of head	
1940.....	3,473 :	419 :	3,892 :	1,312 :	844
1941.....	5,302 :	450 :	5,752 :	691 :	1,612
1942.....	4,465 :	369 :	4,834 :	129 :	1,404
1943.....	3,857 :	545 :	4,402 :	613 :	2,523
1944.....	8,401 :	1,814 :	10,215 :	28,504 :	24,866
1945.....	17,493 :	2,071 :	19,564 :	23,324 :	4,881
1946.....	39,347 :	4,019 :	43,366 :	3,866 :	10,937
1947.....	8,677 :	1,487 :	10,164 :	1,546 :	1,659
1948.....	6,749 :	561 :	7,310 :	695 :	946
1949.....	4,110 :	1,286 :	5,396 :	438 :	1,302
1950.....	6,232 :	2,119 :	8,351 :	1,444 :	2,517
1951.....	6,404 :	1,991 :	8,395 :	935 :	1,087
1952.....	7,231 :	3,581 :	10,812 :	1,748 :	6,303
1953.....	10,703 :	4,087 :	14,790 :	1,407 :	33,888
1954.....	17,316 :	3,936 :	21,252 :	887 :	11,589
1955.....	24,483 :	10,396 :	34,879 :	4,378 :	26,113
1956.....	24,239 :	12,621 :	36,860 :	10,255 :	60,440

DROUGHT SITUATION REMAINS
CRITICAL IN PERU

The drought situation in Southern Peru became increasingly critical during the month of February. The Departments of Puno and Apurimac are in the most critical condition. Supplies of foodstuff are already very inadequate and the people of these Departments are not expected to be able to produce any crops until late 1957 or early 1958. Crop production in the Department of Cuzco for 1956 was down to about half what it was in 1955. Rains have come to this Department but the terraces are undergoing a tremendous amount of erosion due to the lack of cover crops. This will no doubt adversely affect crop production for several years. The food situation is not as critical in this Department, however, as there are now adequate supplies of fresh foodstuff. The Department of Arequipa is not materially suffering from the drought.

The 1956 foreign currant crop, estimated at 116,300 short tons was the largest since 1949. In Greece, which dominates world production, the crop was the largest in 15 years. The Greek pack amounted to 100,000 short tons - a 28,000 ton increase over the small 1955 pack.

CURRENTS: Estimated commercial production in specified countries, average 1949-53, annual 1952-56

Country	Average 1949-53	1952	1953	1954	1955	1956
- - Short tons - -						
Australia.....	16,400	12,300	18,800	14,900	12,700	15,200
Greece.....	88,600	86,000	81,000	86,000	72,000	100,000
Union of South Africa.....	1,000	800	1,100	1,100	1,100	1,100
Total.....	106,000	99,100	100,900	102,000	85,800	116,300

Detailed information on the Greek currant situation was presented in Foreign Agriculture Circular FDF 1-57, February 26, 1957.

Raisin exports by the major Mediterranean exporting countries - Turkey, Greece, and Iran are forecast at 155,000 short tons for the 1956-57 season. This would represent an increase of 35,000 tons over 1955-56 exports, now estimated at 120,000 tons.

Interest this season has been centered on Turkish prices in view of the exceptionally large crop to be marketed by Turkey. The Turkish government has exercised considerable influence on the market situation by virtue of (1) supporting grower prices at the equivalent of 14.6 cents per pound f.o.b. Izmir, (2) setting minimum export levels equivalent to 13.1 and 14.0 cents per pound, f.o.b. Izmir, for No. 9 and No. 10 grades respectively and (3) announcing export subsidies equivalent to 4.86 cents per pound and higher for exports to EPU, dollar, and sterling countries.

In supporting grower prices the Taris Cooperative, a semi-government organization, had purchased 71,650 tons of raisins by December 31, 1956, representing 76 percent of all sales by producers to that date.

Despite adherence by the Turkish Government to the minimum export levels, there has been some weakening of Turkish prices in foreign markets. This is a consequence of the agreement with the United Kingdom to de-block frozen British funds in Turkey by means of raisin purchases. No. 9 Smyrna sultanas which were quoted at 16 1/4 cents, landed, duty-paid basis, London, early in the season, were recently being quoted at 15 1/4 cents per pound. The market, however, has been relatively firm at this lower level. Present prices approximate those of a year earlier.

Greek sultana prices have also declined from opening levels; present prices are about the same as a year ago. Trade sources estimate current Greek sultana stocks at 9,000 tons. It is believed that both Greece and Iran will be able to dispose of their entire 1956 raisin crop without serious difficulty. End-of-season Turkish stocks, however, may be substantial.

YUGOSLAV PRUNE ESTIMATE REVISED DOWNWARD

The 1956 Yugoslav dried prune crop is now officially estimated at 1,500 short tons, one of the shortest crops on record and less than one-tenth of the 1949-53 average of 16,200 tons. The severe freeze of February 1956 was responsible for a sharply reduced fresh prune production of which only a very small proportion was dried. It is now reported that only 2,000,000 of 58,000,000 bearing prune and plum trees were killed by the freeze.

Production, fresh basis, in 1956 is estimated at 197,300 short tons - about 30 percent of the 5-year average of 668,100 tons. As usually happens when a short crop is harvested, only a very small proportion is dried, since requirements for brandy are first taken care of. Some prunes were also consumed fresh and processed into jam and pulp. It is estimated that only 2.3 percent of the 1956 crop was dried. In 1955, about 8 percent of the crop was dried.

Yugoslavia may be a net importer of prunes this season, an unprecedented situation. In striking contrast, exports last season totaled 29,352 short tons.

Supply and distribution balances for 1955-56 and 1956-57 are as follows:

Item	1955-56	1956-57
	Estimate	Forecast
	- Short tons -	
Stocks September 1.....	6,800	-
Production.....	25,800	1,500
Imports.....	-	400
	32,600	1,900
Exports.....	29,300	200
Domestic consumption.....	3,300	1,700
Stocks, August 31.....	-	-
Total distribution.....	32,600	1,900

Imports of 300 to 400 metric tons of American prunes purchased through Amsterdam are expected shortly in Yugoslavia. The price is reportedly 16 percent higher than comparable quotations in San Francisco. In addition, it will cost the Yugoslav importing firms about \$20.00 per metric ton to ship the prunes from the Netherlands. Payment apparently will be made in "free" dollars which the importing firms have earned with exports.

Yugoslav prune prices in the Belgrade market are currently more than double the average 1955-56 price. Although export prices are not known, they are undoubtedly much higher than in the preceding year. Although the official exchange rate is 300 dinars to one U.S. dollar, prune exports apparently are made at 695 dinars to the dollar which results from the application of a coefficient of 1.1 to the clearing rate of 632 dinars to one U.S. dollar.

NEW PASTEURIZING PLANT NEARS COMPLETION IN SAN SALVADOR

Construction of a new pasteurizing plant in the city of San Salvador is almost complete, and operations are expected to begin on or before April 1, 1957. Forecasts of the plant's daily capacity are between 47,500 and 63,350 quarts per day. The new firm, Industrias Lacteas Alfa, S. A., has been capitalized at the equivalent of \$200,000. Alfa will draw its milk supply from dairy farms near the city. After pasteurization and homogenization, the milk will be distributed in sealed cartons to retail stores and through home delivery. The retail price is expected to be about 25.3 cents per quart, which compares favorably with the price of milk offered by other companies in the city. One competing plant, for example, sells pasteurized milk for 33.8 cents per quart, reconstituted milk for 32.4 cents per quart, and nonfat dry milk mixed with water for 19.7 cents per quart.

PASTEURIZING PLANTS IN HONDURAS

Honduras has 2 commercial pasteurizing plants, one of which is located at Tegucigalpa and the other in San Pedro Sula. The combined output of these plants, - approximately 2,400 quarts per day, - is only half their capacities. There is need for qualified technicians to operate the equipment of these factories.

Tegucigalpa also has 2 recombining plants, one producing both milk and ice cream, the other ice cream only. A large part of the dairy industry of Honduras questions the advisability of any additional expansion, feeling that this move would tend to prevent the further development of the local industry.

Honduras produces substantial quantities of cheese, both commercially and on farms. Output is unofficially estimated at 3 million pounds annually. Butter, on a much smaller production scale than cheese, is almost entirely farm produced.

BELGIUM IMPORT REGULATIONS OF HATCHING EGGS AND CHICKS

In 1956 Belgium imported 1,026,000 U. S. hatching eggs, primarily from egg-laying strains. The exports of chicks, however, were insignificant. The cockerel progeny of the chicks hatched from the imported eggs are exported in large numbers to Italy, France and the Belgian Congo.

Belgium's import regulations for chicks and hatching eggs specify that Chicks for fattening may be imported freely. Import licenses are required for hatching eggs but the licenses are easy to obtain.

PANAMA CONDENSERY ACTS TO RELIEVE SURPLUS SITUATION

The primary market for milk producers in the central provinces of Panama, a condensery located in the town of Nata, recently announced that purchases of milk will be reduced due to the accumulation of heavier than normal stocks of condensed and evaporated milk. Toward the end of January, daily receipts of fluid milk were reported at almost 84,000 pounds. Although a decline in milk production is expected with the approaching dry season, production during the first 11 months of 1956 was up almost 50 percent over the 9.9 million pounds produced during the same period in 1955.

A temporary solution to the problem will be put into effect soon. The factory at Nata will semi-condense the surplus over its needs and truck it to the new milk drying plant in Chiriqui for processing into powdered milk, (see Foreign Crops and Markets, January 2, 1956 and April 23, 1956). Consideration is also being given to increased cheese production and the manufacture of butter, the latter not produced commercially in Panama.

In spite of the surplus, no reduction has appeared in retail milk prices. For example, fluid milk retails for 30 cents per quart, evaporated milk for 18 cents per large (presumably 14½ ounce) can, and dry whole milk for 72 cents per pound.

SHARP REDUCTION IN DOMESTIC DUTCH BUTTER PRICE MAY BE UNNECESSARY

In order to reduce unusually heavy holdings of butter, the Dutch Dairy Board recently announced export offerings of storage butter at prices well under the quotations for fresh unsalted butter. The Dutch Government also announced a domestic price reduction, from 45 to 33 cents per pound. The first export offering of butter (1,500 tons) was purchased for export at a bid level above the minimum price stipulated in the offering announcement. Subsequently, it was reported that most or all of the heavy stocks had been sold. Information as to the buyer or buyers and the effective prices has not been released. It is now expected that the domestic butter price will not fall to the low level previously thought necessary to relieve the heavy stock situation.

SPAIN'S COTTON PRODUCTION SETS NEW RECORD IN 1956-57

Cotton production in Spain in 1956-57 may slightly exceed the earlier estimate of 200,000 bales (500 pounds gross), which represented a 33 per cent increase over the 1955-56 crop of 150,000 bales and set a new record in the rapid expansion of cotton production in the last few years. Prior to 1950, cotton production in Spain averaged between 10,000 and 20,000 bales annually, with very low yields from a comparatively large acreage of between 50,000 and 100,000 acres.

Improved cultivation practices and increasing irrigation facilities are mainly responsible for higher yields in recent years. In 1956-57 cotton acreage had expanded to a new record of 500,000 acres. The greatest stimulant to acreage and production increases, however, has been the indirect price support of more than 50 U. S. cents a pound made effective by channeling all cotton purchases for import through a Government agency that sells to the Spanish mills at a higher price.

About 90 percent of Spain's cotton acreage is devoted to upland cotton, about half of which is under irrigation. The remaining 10 percent of cotton acreage is used for production of Egyptian type extra long staple (mostly Giza 7), and this is all under irrigation. The Government plans to bring an additional 100,000 acres (all varieties) under irrigation each year. Production of extra long staple in 1956-57 is estimated at approximately 14,000 bales. The 1956-57 upland crop is expected to be principally of Middling grade with an average staple length of about 1 inch. The quality of both upland and Egyptian types is expected to be average. The recent trend in cotton production is shown in the following table.

SPAIN: Cotton acreage, production, and yield per acre,
crop years 1950-56

Year beginning August 1	Acreage	Production	Yield per acre
	1,000 acres	1,000 bales 1/	Pounds, lint
1950.....	78	19	117
1951.....	110	35	153
1952.....	167	71	204
1953.....	217	82	181
1954.....	267	95	171
1955.....	406	150	177
1956.....	500	200	192

1/ Bales of 500 pounds gross.

Cotton consumption in Spain is also at near record levels, amounting to 415,000 bales in 1955-56, 6 percent higher than the 390,000 bales consumed in 1954-55. Consumption in August-September 1956 amounted to 61,000 bales, or 7 percent higher than the 57,000 bales consumed in the same months a year ago. The upward trend is expected to continue, and in 1956-57 may go as high as 460,000 bales. Wage increases and increasing domestic demand for textile products as well as a population increase of 5 million over the pre-Spanish Civil War level (prior to 1936) are contributing factors in the increasing consumption of cotton. The 1955-56 figure represented the first return to prewar consumption levels.

Although Spain's cotton production has increased substantially in recent years, it is still less than 50 percent of domestic mill requirements. Relatively large imports will be needed to maintain consumption at current levels, and to build up stocks. Cotton imports in 1955-56 amounted to 216,000 bales or 35 percent below the 1954-55 imports of 330,000 bales. Increased imports are reported for August-December 1956, amounting to 69,000 bales as compared with 56,000 bales in August-December 1955. Imports from the United States accounted for the entire 69,000 bales in the current period. In August-December 1955, imports from the United States were 36,000 bales, those from Brazil 15,000, and from Egypt, 5,000 bales. Cotton stocks on August 1, 1956, were estimated at 140,000 bales, down 26 percent from stocks of 190,000 bales held a year earlier.

Imports from the United States since April 1956 have included considerable quantities of the extra long American-Egyptian type cotton. Spanish mills reportedly are well pleased with the quality of this cotton, and hope to purchase additional quantities under the local currency provisions of Title I, P. L. 480.

American cotton is sold to the domestic mills by the Spanish Government at prices substantially in excess of the cost of the cotton. The average December price of Middling 15/16 inch American to Spanish mills was 48.50 pesetas per kilogram or the equivalent of about 56 U. S. cents a pound (converted at 38.95 pesetas per \$1.00). The high price of cotton is necessarily reflected in the retail prices of textiles, which retard cotton consumption. Some mill operators feel that lower prices for cotton would increase cotton consumption to a considerable extent and would largely offset potential losses of revenue to the Government through the price reduction.

ARGENTINE PEAR EXPORT PRICES CORRECTED FOR FREE EXCHANGE RATE

Export prices quoted in the February 18 issue of Foreign Crops and Markets for Argentine pears were incorrect due to fluctuations between official and free exchange rates.

Prices should have read 1.48-1.62 for Williams and 2.43-2.70 for Anjou and Packham, loaded on wagons in Buenos Aires railroad station, not including unloading, pre-cooling, etc.

NORWAY INCREASES COTTON
CONSUMPTION AND IMPORTS

Norway's cotton consumption of 8,000 bales (500 pounds gross) during the first 4 months (August-November) of the 1956-57 marketing season represented a 13 percent increase over the rather low consumption of 7,100 bales in the same months of 1955, and was 5 percent higher than consumption of 7,600 bales in August-November 1954. The increase was attributed primarily to larger supplies of cotton, and also to the lower prices effective this season. Cotton consumption in the August-July 1955-56 season amounted to 21,000 bales or 9 percent less than consumption of 23,000 bales in 1954-55.

Increased volume in August-November 1956 was also shown in cotton imports which amounted to 7,800 bales as compared with only 4,600 bales in the same months of 1955. Most of the increase was in imports from the United States which were 6,000 bales or 77 percent of the total in the current period, as compared with 4,200 bales and 91 percent in August-November 1955. Small quantities also were imported in August-November 1956 from Mexico (760 bales) Paraguay (600), and Peru (400).

Imports during the 1955-56 season were down to 16,000 bales, in contrast to the larger volume of 24,000 bales in 1954-55 and 25,000 in 1953-54. Imports from the United States were 11,000 bales or 69 percent of the total in 1955-56, as compared with 19,000 bales and 79 percent in 1954-55, and 20,000 bales and 80 percent in 1953-54. Quantities imported in 1955-56 from sources other than the United States, with comparable 1954-55 figures in parentheses were: Mexico 3,300 bales (400); Peru 600 (800); Paraguay 450 (2,000); and India 150 (500).

Cotton stocks on August 1, 1956 were down to only 3,000 bales as compared with 8,000 bales held a year earlier, but are expected to be rebuilt in the 1956-57 season.

Norwegian spinners mix considerable quantities of rayon staple fiber with cotton in order to cut the cost of raw material, and also because some weavers prefer the mixed yarn. During the first 6 months of 1956, about 42 percent of all cotton yarn was made from a mixture of 70 percent cotton and 30 percent rayon, compared with only 32 percent in the corresponding period of 1955.

United States cotton has a high reputation among Norwegian spinners. Imports from that source are liberalized, and not subject to quantitative control.

TRANSSHIPMENTS OF MEXICAN COTTON CONTINUE TO DECLINE IN DECEMBER

Transshipments of Mexican cotton through United States ports in December 1956 continued to decline for the 5th consecutive month, amounting to 99,000 bales (500 pounds gross) or 4 percent less than the November transshipments of 103,000 bales, and 35 percent below the transshipments of 152,000 bales in December 1955. Transshipments during the 5-month period, August-December 1956, amounted to 604,000 bales or 7 percent less than transshipments of 648,000 bales in the corresponding period of last year.

Declines were registered during the August-December 1956 period for all major destinations with the exceptions of Japan and France which showed increased quantities from last year. Quantities transshipped to the major destinations in August-December 1956, with comparable 1955 figures in parentheses were: Japan 197,000 bales (87,000); West Germany 108,000 (157,000); United Kingdom 64,000 (105,000); France 50,000 (11,000); Belgium 47,000 (64,000); Netherlands 36,000 (78,000); Sweden 24,000 (38,000); Italy 21,000 (28,000); Australia 15,000 (16,000); and Switzerland 14,000 (19,000).

IRELAND IMPORTS CAKE AND MEAL FROM U. S. AND ARGENTINA IN 1956

Ireland's imports of cake and meal in 1956 totaled 36,730 short tons, of which one-third was linseed cake and meal, roughly one-fourth cottonseed and the remainder peanut and soybean cake and meal.

Ireland: Cake and meal imports by country of origin 1956

(Short tons)

Country of origin	Cake and meal				
	Cottonseed	Peanut	Linseed	Soybean	Total
United States.....	8,383	1,394	1,053	5,561	16,391
Canada.....	-	-	392	168	560
Argentina.....	1,596	2,503	6,305	-	10,404
France.....	-	353	-	-	353
Netherlands.....	-	1,512	-	913	2,425
United Kingdom.....	-	-	4,105	358	4,463
French West Africa.....	-	1,988	-	-	1,988
Others.....	34	-	112	-	146
Total.....	10,013	7,750	11,967	7,000	36,730

Compiled from official sources.

Imports from the United States accounting for 45 percent of the total, consisted largely of cottonseed and soybean cake and meal. Imports from Argentina, which represented over one-fourth of the total, were principally linseed cake and meal.

MALAYA'S COCONUT OIL EXPORTS UP
IN 1956; COPRA DOWN

Coconut oil exports from Malaya in 1956 totaled 104,284 long tons, according to preliminary official data. This was 14 percent greater than in 1955 and over twice the 1935-39 level. Exports of oil at 28,345 tons during the last quarter of 1956 were 8 percent greater than the corresponding period of 1955. Shipments for the year to the Netherlands, West Germany, Egypt and the Union of South Africa showed substantial increases from 1955, while exports to China, Formosa, Pakistan, France and Burma fell sharply.

Table 1 - MALAYA: Coconut oil exports and imports, average 1935-39, annual 1955-56, and October-December 1955-56
(Long tons)

(Long tons)

Country	Average 1935-39	1955	1956 <u>1</u> /	October-December	
				1955	1956 <u>1</u> /
<u>Exports</u>					
France.....	100	1,938	1,442	728	-
Italy.....	20	10,049	9,567	2,377	5,044
Netherlands.....	822	10,663	24,145	3,420	7,701
Sweden.....	185	2,007	3,003	860	397
United Kingdom.....	8,857	15,343	14,907	7,372	1,579
Western Germany.....	100	8,971	11,388	2,909	4,890
Other Europe.....	190	<u>2</u> / 1,134	<u>3</u> / 11,801	-	905
Burma.....	3,908	6,481	4,945	1,353	1,920
China.....	2,028	14,974	500	1,585	-
Formosa.....	-	787	299	344	290
Hong Kong.....	1,391	1,434	1,425	450	325
India.....	22,500	11,559	10,090	2,619	2,622
Indonesia.....	3,119	231	235	55	55
Pakistan.....	-	867	342	423	112
Egypt.....	3,295	926	1,815	515	-
Union of South Africa.....	325	2,676	5,752	617	1,855
Other countries.....	269	1,786	2,628	499	650
Total.....	47,109	91,826	104,284	26,126	28,345
<u>Imports</u>					
British possessions.....	16	562	1,145	150	557
Indonesia.....	328	89	8	16	-
Other countries.....	229	-	-	-	-
Total.....	573	651	1,153	166	557

1/ Preliminary. 2/ Includes 595 tons to Yugoslavia. 3/ Includes 9,400 tons to U.S.S.R. and 1,572 tons to Yugoslavia.

Compiled from official statistics.

Copra exports in 1956 of 39,333 tons were down 7 percent from 1955 and were one-fifth the prewar average. Shipments during the last 3 months of 1956 were up almost one-half from the corresponding period of 1955. Exports to virtually all buyers except India, Italy, and Poland declined markedly in 1956.

Table 2-MALAYA: Copra exports and imports, average 1935-39, annual 1955-56, and October-December 1955-56

(Long tons)					
Country	Average	1955	1956 <u>1/</u>	October-December	
	1935-39			1955	1956 <u>1/</u>
<u>Exports</u>					
Denmark.....	2,050:	2,600:	1,645:	200:	900
France.....	8,578:	1,948:	680:	600:	-
Italy.....	11,322:	150:	950:	50:	750
Netherlands.....	28,956:	12,695:	4,100:	2,350:	1,700
Norway.....	4,703:	1,375:	525:	100:	500
Poland.....	3,358:	- :	1,900:	- :	100
Spain.....	- :	9,917:	4,200:	4,942:	-
Sweden.....	1,850:	1,600:	404:	- :	-
United Kingdom.....	57,750:	- :	- :	- :	-
Western Germany.....	<u>2/</u> 46,384:	3,898:	1,450:	300:	750
Other Europe.....	2,825: <u>3/</u>	1,800:	1,350: <u>3/</u>	1,000:	-
India.....	535:	1,247:	18,210:	805:	11,775
Japan.....	2,483:	- :	- :	- :	-
Other Asia.....	959:	4,826:	2,819:	1,769:	961
Other countries.....	19,938:	363:	1,100:	- :	500
Total.....	191,691:	42,419:	39,333:	12,116:	17,936
<u>Imports</u>					
British possessions.....	10,617:	1,966:	3,730:	654:	224
Indonesia.....	105,500:	113,577:	112,971:	28,384:	35,860
Other countries.....	2,134:	1,952:	5,180:	83:	4,375
Total.....	118,251:	117,495:	121,881:	29,121:	40,459
1/ Preliminary. 2/ Total Germany. 3/ All to Finland.					

Compiled from official statistics.

Imports of copra at 121,881 tons were up 4 percent from 1955 and 3 percent from the prewar average. Net exports in 1956 of coconut oil and copra, in terms of oil, were about 51,000 tons as compared with about 44,000 tons in 1955.

U. S. SESAME IMPORTS
UP IN 1956

Imports of sesame seed into the United States in 1956 totaled 6,569 short tons, an increase of 10 percent from 1955. The bulk of these imports, as in previous postwar years, came from other North American countries, principally Nicaragua and El Salvador.

While imports from Nicaragua increased 16 percent from 1955, they were 44 percent less than in 1954. Purchases from El Salvador were the largest of record from that country.

UNITED STATES: Sesame seed imports by country
of origin, average 1935-39, annual 1952-1956
(Short tons)

Country of origin	Average: 1935-39	1952	1953	1954	1955	1/	1956	1/
NORTH AMERICA:								
El Salvador.....	16:	1,418:	1,805:	1,536:	2,125:		2,278	
Guatemala.....	4:	- :	350:	355:	138:		69	
Nicaragua.....	97:	4,394:	3,082:	5,741:	2,773:		3,217	
Other.....	141:	7:	28:	15:	107:		2	
Total.....	258:	5,819:	5,265:	7,647:	5,143:		5,566	
EUROPE.....	7:	- :	- :	139:	25:		-	
SOUTH AMERICA:								
Brazil.....	49:	- :	- :	- :	254:		219	
Other.....	19:	- :	- :	- :	8:		38	
Total.....	68:	- :	- :	- :	262:		257	
ASIA:								
China.....	26,501:	- :	- :	- :	- :		-	
Hong Kong.....	638:	3:	- :	- :	- :		-	
India.....	484:	- :	- :	- :	89:		421	
Turkey.....	16:	33:	- :	- :	- :		-	
Other.....	1,031:	36:	3:	182:	54:		70	
Total.....	28,670:	72:	3:	182:	143:		491	
AFRICA:								
Egypt.....	209:	- :	- :	93:	382:		239	
Other.....	1:	28:	- :	292:	17:		16	
Total.....	210:	28:	- :	385:	399:		255	
Grand Total.....	29,213:	5,919:	5,268:	8,353:	5,972:		6,569	
1/ Preliminary.								

Compiled from official records of the Department of Commerce.

Imports have declined sharply since prewar. In fact, the volume imported in 1956 was less than one-fourth the average quantity brought into this country in the 1935-39 prewar period.

While China supplied all of Japan's soybean import requirements in prewar years, the United States since 1951 has provided by far the major portion. In fact, Japan has been the market for over one-third of the total U. S. soybeans exported in the last 6 years.

Table 2 - JAPAN: Soybean imports by months and by country of origin, 1956 1/

(1,000 bushels)

Month	U.S.	China	Brazil	Others	Total	Month	U.S.	China	Brazil	Others	Total
Jan....	3,350	301	203	-	3,854	July....	1,944	1,702	-	51	3,697
Feb....	3,479	587	73	4	4,143	Aug....	1,805	713	39	9	2,566
Mar....	1,866	253	-	-	2,119	Sept....	1,337	186	55	38	1,616
Apr....	339	506	<u>2/</u>	-	845	Oct....	5	9	19	-	33
May....	639	784	27	2	1,452	Nov....	258	4	33	-	295
June....	1,991	611	-	-	2,602	Dec....	2,683	472	-	<u>2/</u>	3,155
Total.....							19,696	6,128	449	104	26,377

1/ Preliminary. 2/ Less than 500 bushels.

Source: Customs Division, Finance Ministry.

Over one-half of the total 1956 imports moved into Japan in the 4 months of January, February, July and December and almost one-third in January and February alone.

Offers of Chinese soybeans to Japanese importers for February and March delivery were quoted at 143 per metric ton (\$3.28 per bushel.) Despite the fact that this was lower than the previous quotation of 144-5-0 (\$3.37 per bushel) only relatively limited interest was shown by importers.

INDIA DEVELOPING LONGER STAPLE COTTON

Longer staple cotton is being produced in India as a result of breeding work under the sponsorship of the Indian Central Cotton Committee. A number of new strains with staple lengths of 1-1/16 to 1-1/8 inches have been developed. Two of these strains, 170-CO point 2, and 134-CO point 2-M, were grown in 1955-56 over an area of 260,000 acres producing about 100,000 bales (500 pounds gross). Another strain MCU-2, spinning 36 to 38 counts, has been adopted for cultivation in the southern districts of Madras State.

ARGENTINE GOVERNMENT TO DO RESEARCH ON SOYBEANS

The Argentine Ministry of Agriculture is reported to have signed an agreement with a company to carry on soybean research. This is the first time that the Ministry of Agriculture has entered into a cooperative agreement with a private concern.

The company, which at present is experimenting with some 70 varieties of soybeans, will carry on research with variety testing, cultural methods, and industrial uses. Most of the field work will be conducted in the Chaco area.

UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

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